



COMMITTEE ON THE BUDGET
MAJORITY CAUCUS
U.S. House of Representatives
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THE PRESIDENT'S TRILLION-DOLLAR FANTASY

FY 2001 Budget Avoids Setting Realistic Priorities

TALKING POINTS FOR THE PRESIDENT'S FY 2001 BUDGET

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President Clinton's fantasy budget would put the Federal Government on a spending "autopilot" that would wipe out about 70% of the expected non-Social Security surplus.

Spending

The Trillion-Dollar Discretionary 'Autopilot': The President's new budget would put the Federal Government on a path toward nearly a trillion dollars in discretionary program increases between 2001 and 2010. (BA: \$950 billion; Outlays: \$819)

Higher Total Spending: The President spends about \$1.3 trillion more over 10 years: \$800 billion on discretionary programs, \$300 billion for health care, and \$200 billion in higher debt service costs. This would eliminate about 70% of the expected \$1.9 trillion non-Social Security surplus.

Higher Discretionary Spending: According to CBO, the President proposes a \$36 billion increase in discretionary spending over last year; he would spend \$622 billion in discretionary budget authority in fiscal year 2001.

More Government Programs: The President creates 84 new programs and significantly increases spending on another 162 programs.

Taxes

Tax and Fee Increases: The President's budget would increase taxes and fees by \$237 billion between 2001 and 2010. Most of these of tax and fee increases were rejected by the House last year.

No Net Tax Relief Until After He Leaves Office: The President proposes **NO** net tax relief in 2001 **OR** 2002. **In fact, the President proposes net tax increases of \$11 billion in 2001 and \$5 billion in 2002.**

Social Security

Misses Last Chance on Social Security: President Clinton's final Social Security proposal would add \$20 trillion to the national debt by adding that many more IOU's to the Trust Fund without providing a single penny to repay them.